



Nishat Mills Limited

Notice of Annual General Meeting

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that Annual General Meeting of the Members of Nishat Mills Limited (the "Company") will be held on October 28, 2020 (Wednesday) at 03:30 p.m. at Emporium Mall, the Nishat Hotel, Trade and Finance Centre Block, Near Expo Centre, Abdul Haq Road, Johar Town, Lahore, to transact the following business:

1. To receive, consider and adopt the Audited Un-consolidated and Consolidated Financial Statements of the Company for the year ended June 30, 2020 together with the Chairman Review, Directors' and Auditors' reports thereon.
2. To approve Final Cash Dividend @ 40% [i.e. Rs. 4/- (Rupees Four Only) Per Ordinary Share] as recommended by the Board of Directors.
3. To appoint statutory Auditors for the year ending June 30, 2021 and fix their remuneration.

By order of the Board



(KHALID MAHMOOD CHOHAN)
COMPANY SECRETARY

Lahore
September 18, 2020

NOTES:

BOOK CLOSURE NOTICE: -

The Ordinary Shares Transfer Books of the Company will remain closed from 21-10-2020 to 28-10-2020 (both days inclusive) for entitlement of 40% Final Cash Dividend [i.e. Rs.4/- (Rupees Four Only) Per Ordinary Share] for the year ended June 30, 2020 and attending and voting at Annual General Meeting. Physical transfers / CDS Transactions IDs received in order in all respects up to 1:00 p.m. on 20-10-2020 at the office of Share Registrar, THK Associates (Private) Limited, Karachi Office: 1st Floor, 40-C, Block-6, PECHS, Karachi, Lahore Office: Siddique Trade Centre, Office No.PL-29, PL Floor, 72 Main Boulevard, Gulberg II, Lahore, shall be considered in time for entitlement of above said 40% Final Cash Dividend and attending of AGM.

Proxies

A member eligible to attend and vote at this meeting may appoint another member his / her proxy to attend and vote instead of him / her. Proxies in order to be effective must reach the Company's registered office not less than 48 hours before the time for holding the meeting. Proxies of the Members through CDC shall be accompanied with attested copies of their CNIC. In case of corporate entity, the Board's Resolution / power of attorney with specimen signature shall be furnished along with proxy form to the Company. The shareholders through CDC are requested to bring original CNIC, Account Number and Participant Account Number to produce at the time of attending the meeting.

Shareholders are requested to immediately notify the change in address, if any.

Members who have deposited their shares into Central Depository Company of Pakistan Limited ("CDC") will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan.

A. For Attending the Meeting

- a. In case of Individuals, the account holder and / or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall authenticate his / her identity by showing his / her original CNIC or, original Passport at the time of attending the Meeting.
- b. In case of corporate entity, the Board's resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

B. For Appointing Proxies

- a. In case of individuals, the account holder and / or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements.
- b. The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.
- c. Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
- d. The proxy shall produce his original CNIC or original passport at the time of the Meeting.
- e. In case of corporate entity, the Board's resolution / power of attorney with specimen signature shall be furnished (unless it has been provided earlier) along with proxy form to the Company.

Deduction of Withholding Tax on Dividend:

Pursuant to the provisions of the Finance Act, 2019 the rates of deduction of income tax from dividend payments under the Income Tax Ordinance have been revised as follows:

- Filler 15%
- Non-Filler 30%

All shareholders are advised to check their status on Active Taxpayers List (ATL) available on FBR Website and may, if required, take necessary actions for inclusion of their name in ATL to avail the lower rate of tax deduction.

Deduction of Withholding Tax on Dividend in case of Joint Account Holders:

All shareholders who hold shares jointly are requested to provide following information regarding shareholding proportions of Principal Shareholder and Joint-holder(s) in respect of shares held by them to our Share Registrar THK Associates (Private) Limited, Karachi Office: 1st Floor, 40-C, Block-6, PECHS, Karachi, Lahore Office: Siddique Trade Centre, Office No.PL-29, PL Floor, 72 Main Boulevard, Gulberg II, Lahore, latest by October 20, 2020, otherwise each joint holder shall be assumed to have an equal number of shares.

Name of the Company		Nishat Mills Limited
Folio No. / CDS A/C No.		
No. of Shares Held		
Principal Shareholder	Name & CNIC	
	Shareholding Proportion (No. of Shares)	
Joint Shareholder(s)	Name & CNIC	
	Shareholding Proportion (No. of Shares)	

Signature of Primary Shareholder_____

EXEMPTION OF WITHHOLDING TAX:

Withholding tax exemption from dividend income, shall only be allowed if copy of valid tax exemption certificate is made available to our Share Registrar Office, Share Registrar THK Associates (Private) Limited, Karachi Office: 1st Floor, 40-C, Block-6, PECHS, Karachi, Lahore Office: Siddique Trade Centre, Office No.PL-29, PL Floor, 72 Main Boulevard, Gulberg II, Lahore, up to October 20, 2020.

SUBMISSION OF COPY OF CNIC (MANDATORY):

Individuals including all joint holders holding physical share certificates are requested to submit a copy of their valid CNIC if not already provided to the Company or our Share Registrar, THK Associates (Private) Limited, Karachi Office: 1st Floor, 40-C, Block-6, PECHS, Karachi, Lahore Office: Siddique Trade Centre, Office No.PL-29, PL Floor, 72 Main Boulevard, Gulberg II, Lahore. The Shareholders while sending CNIC must quote their respective folio numbers.

In case of non-receipt of the copy of a valid CNIC, the Company would be unable to comply with SRO 831(1)/2012 dated July 05, 2012 of SECP and would be constrained under SECP's Order dated June 08, 2016 under Section 251(2) of the Companies Ordinance, 1984 to withhold the dispatch of dividend warrants to such shareholders.

ZAKAT DECLARATION (CZ-50):

Zakat will be deducted from the dividends at source under the Zakat & Usher Laws and will be deposited within the prescribed period with the relevant authority. Please submit your Zakat declarations under Zakat and Usher Ordinance, 1980 & Rule 4 of Zakat (Deduction & Refund) Rules, 1981 CZ-50 Form, in case you want to claim exemption, with your brokers or the Central Depository Company of Pakistan Limited (in case the shares are held in CDC-Sub Account or CDC Investor Account) or to our Share Registrar, M/s. THK Associates (Private) Limited, Karachi Office: 1st Floor, 40-C, Block-6, PECHS, Karachi, Lahore Office: Siddique Trade Centre, Office No.PL-29, PL Floor, 72 Main Boulevard, Gulberg II, Lahore. The Shareholders while sending the Zakat Declarations, as the case may be must quote company name and their respective folio numbers.

Shareholders should also notify our Share Registrar, THK Associates (Private) Limited regarding any change in their addresses.

MANDATORY PAYMENT OF CASH DIVIDEND THROUGH ELECTRONIC MODE:

The provisions of Section 242 of the Companies Act, 2017 require the listed companies that any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders. The shareholders who have not provided their bank account details so far are advised to provide their below electronic dividend mandate information to Company's Share Registrar at the address given above and update their CDC accounts / Sub accounts as the case may be, enabling the

Company to credit your future dividend promptly, if any.

Folio No. / Investor Account Number / CDC Sub Account No.																				
Title of Account																				
IBAN Number																				
Bank Name																				
Branch																				
Branch Address																				
Mobile Number																				
Name of Network (if ported)																				
Email Address																				

Signature of Shareholder _____

Transmission of Annual Financial Statements through Email:

In pursuance of the directions given by the Securities and Exchange Commission of Pakistan (SECP) vide SRO 787 (I) / 2014 dated September 8, 2014, those shareholders who desire to receive Annual Financial Statements in future through email instead of receiving the same by Post are advised to give their formal consent along with their valid email address on a standard request form which is available at the Company’s website i.e. www.nishatmillsltd.com and send the said form duly signed by the shareholder along with copy of his / her CNIC to the Company’s Share Registrar M/s THK Associates (Private) Limited. Please note that giving email address for receiving of Annual Financial Statements instead of receiving the same by post is optional, in case you do not wish to avail this facility please ignore this notice, Financial Statements will be sent in compact disk to the registered address of the shareholders.

Circulation of Annual Reports through Digital Storage:

Pursuant to the SECP’s notification SRO 470 (I) / 2016 dated 31st May, 2016 the Members of Nishat Mills Limited in EOGM held on 31st March 2017 had accorded their consent for transmission of annual reports including audited annual financial statements and other information contained therein of the Company through CD / DVD / USB instead of transmitting the same in hard copies. The shareholders who wish to receive hard copies of the aforesaid documents may send to the Company Secretary / Share registrar, the standard request form available on the Company’s website and the Company will provide the aforesaid documents to the shareholders on demand, free of cost, within one week of such demand.

Unclaimed Dividend / Shares:

Shareholders who could not collect their dividend / physical shares are advised to contact our Share Registrar to collect / enquire about their unclaimed dividend or shares, if any.

Video Conference Facility:

In terms of the Companies Act, 2017, members residing in a city holding at least 10% of the total paid up share capital may demand the facility of video-link for participating in the annual general meeting. The request for video-link facility shall be received by the Share Registrar at their address at least 7 days prior to the date of the meeting on the Standard Form available on the website of the Company.

Statement under Rule 4(2) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017

Name of Investee Company	MCB Bank Limited	Hyundai Nishat Motor (Private) Limited		Nishat Hotels and Properties Limited		Nishat Sutas Dairy Limited
Total Investment Approved:	Equity investment up to Rupees 2,144 billion for the period of three (3) years was approved by members in EOGM held on March 31, 2020.	Equity investment up to Rupees 960 million was approved by members in EOGM held on March 28, 2018 which was subsequently enhanced up to Rs. 1,267.680 million for the period of four (4) years by members in AGM held on October 28, 2019.	Guarantee / continuing Stand by Letter(s) of Credit (SBLC) for an amount of up to Rupees 1,200 million was approved by members in EOGM held on March 28, 2018 which was subsequently enhanced up to Rupees 1,532.544 million for a tenure of 7.5 years by members in AGM held on October 28, 2019.	Equity investment up to Rupees 200 million was approved for the period of three (3) years by members in EOGM held on April 17, 2019.	Investment of Rs. 1 billion by way of working capital loan was approved for the period of one year by members in AGM held on October 28, 2019.	Equity investment upto Rupees 950 million was approved for the period of three (3) years by members in AGM held on October 28, 2019.
Amount of Investment Made to date:	Nil	Investment of Rupees 1,017.886 million has been made against this approval to date.	Bank guarantees of up to Rs. 1,451 million have been issued against this approval to date.	Investment of Rupees 29.61 million has been made against this approval to date.	Nil	Investment of Rupees 166.300 million has been made against this approval to date.
Reasons for deviations from the approved timeline of investment, where investment decision was to be implemented in specified time:	No investment has been made in investee company after the approval. Investment will be made depending on market conditions at appropriate time.	Partial investment has been made in investee company. Further investment will be made depending on the financial need of investee company.	Eight bank guarantees from different banks have been extended after the approval. Further guarantees will be arranged on requirement of investee company.	Partial investment has been made in investee company. Further investment will be made depending on the financial need of investee company.	No loan has been extended after the approval because fund request has not yet been made by the investee company.	Partial investment has been made in investee company. Further investment will be made depending on the financial need of investee company.
Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company:	At the time of approval and as per latest available audited financial statements for the year ended December 31, 2019 the basic earnings per share was Rs. 20.23 and breakup value per share was Rs. 142.54. As per latest available half yearly financial statements for the half year ended June 30, 2020 the basic earnings per share is Rs. 11.15 and breakup value per share is Rs. 156.01.	As per latest available audited financial statements for the year ended December 31, 2018 the basic loss per share was Rs. 1.44 and breakup value per share was Rs. 9.03. As per latest available audited financial statements for the year ended December 31, 2019 the basic loss per share is Rs. 1.13 and breakup value per share is Rs. 8.97. As per latest available half yearly financial statements for the half year ended June 30, 2020 the basic loss per share is Rs. 1.721 and breakup value per share is Rs. 7.35.	As per latest available audited financial statements for the year ended December 31, 2018 the basic loss per share was Rs. 1.44 and breakup value per share was Rs. 9.03. As per latest available audited financial statements for the year ended December 31, 2019 the basic loss per share is Rs. 1.13 and breakup value per share is Rs. 8.97. As per latest available half yearly financial statements for the half year ended June 30, 2020 the basic loss per share is Rs. 1.721 and breakup value per share is Rs. 7.35.	At the time of approval, as per latest available audited financial statements for the year ended June 30, 2018, the basic loss per share was Re.0.30 and breakup value per share was Rs. 12.65. As per latest available annual financial statements for the year ended June 30, 2020 the basic loss per share is Rs. 1.36 and breakup value per share is Rs. 18.43.	At the time of approval, as per latest available audited financial statements for the year ended June 30, 2019 the basic profit per share was Rs. 1.42 and breakup value per share was Rs. 18.09. As per latest available annual financial statements for the year ended June 30, 2020 the basic loss per share is Rs. 1.36 and breakup value per share is Rs. 18.43.	At the time of approval, the investee company had not commenced its operations, therefore EPS and breakup value of share was not available. As per latest available audited financial statements for the year ended December 31, 2019 the basic loss per share is Rs. 2.29 and breakup value per share is Rs. 7.71. As per latest available half yearly financial statements for the half year ended 30 June 2020, the basic loss per share is Re. 1.33 and breakup value per share is Rs. 6.38.

Form of Proxy

I /We _____
of _____
being a member of Nishat Mills Limited, hereby appoint _____

of _____
or failing him/her _____
of _____

member(s) of the Company, as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on October 28, 2020 (Wednesday), at 03:30 p.m at Emporium Mall, The Nishat Hotel, Trade and Finance Centre Block, Near Expo Centre, Abdul Haq Road, Johar Town, Lahore.

as witness may hand this _____ day of _____ 2020

Signed by the said member _____

in presence of _____

Please
affix
revenue
stamp
Rs. 50

Signature(s) of Member(s)

Signature of witness

Signature of witness

Name

Name

Address

Address

.....

.....

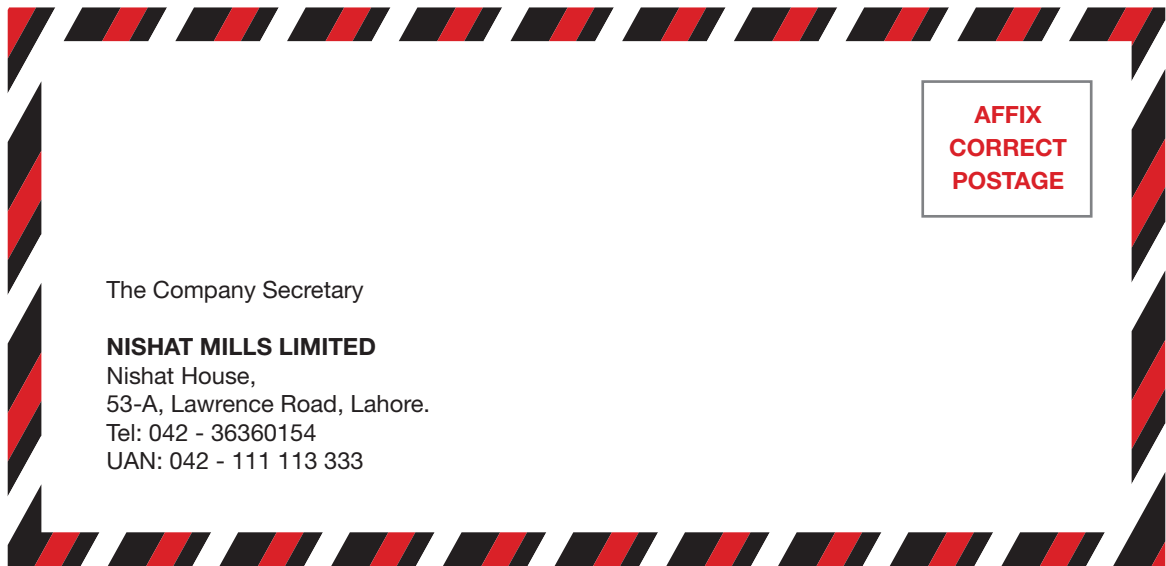
CNIC #

CNIC #

Please quote:

Folio No.	Shares held	CDC A/C. No.

Important: This instrument appointing a proxy, duly completed, must be received at the Registered Office of the Company at Nishat House, 53-A, Lawrence Road, Lahore not later than 48 hours before the time to holding the annual general meeting.

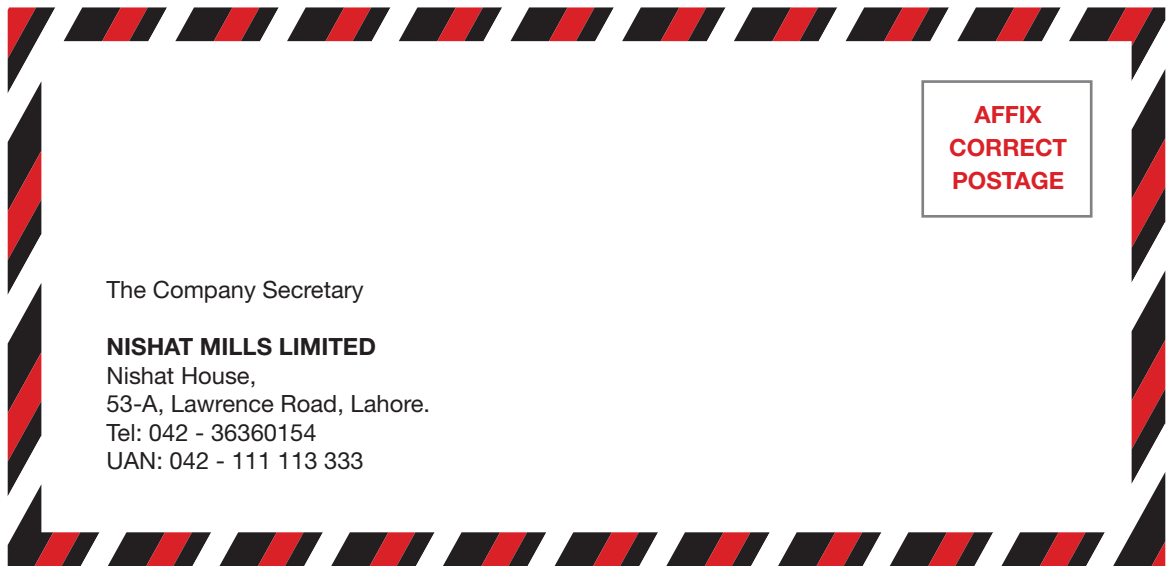


**AFFIX
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The Company Secretary

NISHAT MILLS LIMITED

Nishat House,
53-A, Lawrence Road, Lahore.
Tel: 042 - 36360154
UAN: 042 - 111 113 333



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The Company Secretary

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Nishat House,
53-A, Lawrence Road, Lahore.
Tel: 042 - 36360154
UAN: 042 - 111 113 333



REGISTERED OFFICE:

Nishat House, 53-A, Lawrence Road, Lahore

Tel: 042-36360154, 042-111 113 333

nishat@nishatmills.com

www.nishatmillsltd.com